

Message Text

UNCLASSIFIED

PAGE 01 BOGOTA 00125 072145Z

64

ACTION ARA-20

INFO OCT-01 ISO-00 CIAE-00 DODE-00 INR-10 NSAE-00 PA-04

RSC-01 USIA-15 PRS-01 SPC-03 AID-20 COME-00 EB-11

FRB-02 TRSE-00 XMB-07 OPIC-12 CIEP-02 LAB-06 SIL-01

OMB-01 NSC-10 SS-20 STR-08 CEA-02 AGR-20 SCI-06

SCEM-02 INT-08 DRC-01 /194 W
----- 036539

R 071634Z JAN 74

FM AMEMBASSY BOGOTA

TO SECSTATE WASHDC 788

UNCLAS BOGOTA 0125

EO 11652: NA

TAGS: ECRP EAID IBRD IDB

SUBJ: ECONOMIC PERFORMANCE FOR 1973

1. AT YEAR'S END THE ECONOMIC SECRETARY TO THE PRESIDENT, ENRIQUE LOW MURTRA, RELEASED PRELIM DATA TO THE PRESS SUMMARIZING ECONOMIC PERFORMANCE FOR 73. LOW ALSO OUTLINED PROSPECTS FOR 1974. THE HIGHLIGHTS OF THE PRESS STATEMENT ARE SUMMARIZED BELOW.

2. PERFORMANCE IN 1973 CAN BE CHARACTERIZED BY:

(A) A COST OF LIVING INCREASE OF 25 PERCENT FOR THE NATION AS A WHOLE. ACCORDING LOW, THE HIGH RATE OF INFLATION HAS BEEN OFF-SET IN PART BY INCREASED EMPLOYMENT AND BY WAGE INCREASES FOR MANY WORKERS.

(B) A DEVALUATION OF THE EXCHANGE RATE BY 8.5 PERCENT. AT THE END OF DECEMBER THE RATE REACHED 24.77 PESOS PER DOL.

(C) AN OVERALL GROWTH IN GOODS EXPORTS OF 43 PC, BASED ON REGISTRATIONS THRU MID-DECEMBER, OF WHICH NON-TRADITIONAL EXPORTS ACCOUNTED FOR NEARLY HALF THE \$1.1 BILLION TOTAL. ON THE SAME
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BOGOTA 00125 072145Z

BASIS GOODS IMPORTS GREW BY 33 PC AND REACHED \$1.2 BILLION.

THIS IMPLIES A TRADE DEFICIT OF ABOUT \$100 MILLION. HOWEVER A REVIEW OF EXCHANGE RECEIPT DATA AS OPPOSED TO REGISTRATIONS IS LIKELY TO REVEAL A TRADE SURPLUS FOR THE SAME PERIOD.

(D) A GROWTH OF NET RESERVES OF ABOUT \$100 MILLION.

(E) THE HIGHEST RATE OF GROWTH IN REAL GNP (7.5 PC) EXPERIENCED IN A DECADE. INDUSTRIAL PRODUCTION INCREASED BY 9.5 PC. THE AGRICULTURE SECTOR PERFORMED VERY WELL. THE MOST DRAMATIC GROWTH TOOK PLACE IN THE CONSTRUCTION INDUSTRY WHICH GREW BY 24 PC.

(F) A REDUCTION IN UNEMPLOYMENT IN BOGOTA FROM 11 PC TO 6 PC.

(G) REVENUE COLLECTIONS OF 21 BILLION PESOS OR AN ANNUAL INCREASE EQUAL TO THE RATE OF INCREASE IN COST OF LIVING.

3. LOW SAID THAT PROSPECTS FOR 74 WERE GOOD. INCREASED LAND USE FOR AGRICULTURAL PRODUCTION INCREASE THE PROSPECTS FOR RELATIVELY STABLE PRICES. THE GOVT WILL CONTINUE ITS AUSTERITY POLICY WITH REGARD TO ITS OWN EXPENDITURES. HE WARNED THAT THE ENERGY CRISIS WILL RAISE TRANSPORTATION COSTS WHICH WILL MEAN HIGHER IMPORT PRICES.
WHITE

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC REPORTS, ANNUAL REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 07 JAN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BOGOTA00125
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: BOGOTA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740159/aaaaceat.tel
Line Count: 84
Locator: TEXT ON-LINE
Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: WorrelSW
Review Comment: n/a
Review Content Flags:
Review Date: 16 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <16 APR 2002 by daviscw>; APPROVED <18-Nov-2002 by WorrelSW>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ECONOMIC PERFORMANCE FOR 1973
TAGS: ECRP, EAID, CO, IBRD, IDB
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005